S 1.3/5: 7/6

US DEPARTMENT OF STATE

DISPATCH

BUREAU OF PUBLIC AFFAIRS

The United States and France: Building on a Historic Alliance
President Clinton, French President Chirac 25

Policy and Principles: The Clinton Administration's Approach
James B. Steinberg 26

The United States and the Security of Taiwan
Winston Lord 29

96-017930 /VB/Am

February 5, 1996 • Volume 7, Number 6

Dispatch is available in many ways to meet your needs:

In Print

U.S. Government Printing Office. Subscriptions to *Dispatch*, via third- or first-class postage, are available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. Subscription prices (including six-month indexes and all supplemental issues): $116 domestic third-class postage; $166 domestic first-class postage; $145 foreign. Single-copy price for regular issues: $2.00 domestic; $2.50 foreign. Single-copy price for supplements: $2.50 domestic; $3.13 foreign. Single-copy price for semi-annual indexes: $2.75 domestic; $3.44 foreign. To order subscriptions: specify *Dispatch* and list ID-USDSD. Payments by check (made payable to the Superintendent of Documents), GPO Deposit Account (include account number), VISA, or MasterCard (include account number, expiration date, and authorized signature). To fax your credit card order, dial (202) 512-2250. The order telephone number is (202) 512-1800.

National Technical Information Service (NTIS). *Dispatch* also is available from NTIS, 5285 Port Royal Road, Springfield, VA 22161-2171. To order, telephone: (703) 487-4630. One-year subscriptions are priced at $175 domestic first-class postage; $430 domestic overnight delivery; $350 for addresses outside the U.S., Canada, and Mexico. Microfiche is offered as a six-month collection with index. To order: specify *Dispatch* and publication number PB95-92501. Payments can be made by check or money order (made payable to NTIS), NTIS Deposit Account (include account number), American Express, VISA, or MasterCard (include account number, expiration date, and authorized signature). Single copy prices vary: call (703) 487-4650.

On-Line/CD-ROM Information

Department of State Foreign Affairs Network (DOSFAN). *DOSFAN* provides global access to timely foreign policy information on the Internet, including *Dispatch*; transcripts of speeches, statements, and testimony by senior officials; *Background Notes*; daily press briefings; reports to Congress on human rights, trade practices, narcotics, and terrorism; directories; travel information; and much more. Updated daily, DOSFAN is accessible as follows:

Gopher: dosfan.lib.uic.edu port 70
WWW: http://www.state.gov

For technical assistance and comments, contact: john.a.shuler@uic.edu.

U.S. Foreign Affairs on CD-ROM (USFAC). USFAC archives foreign policy information on DOSFAN (see above) on a quarterly basis and contains portable document files of *Dispatch* and *Background Notes* which enable users to print publications as they originally appeared. One-year subscriptions (four discs) are priced at $81 ($101 foreign); single copy price is $28 ($35 foreign), available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954, tel: (202) 512-1800, fax: (202) 512-2233. Payments can be made by check (made payable to the Superintendent of Documents), GPO Deposit Account (include account number), VISA, or MasterCard (include account number, expiration date, and authorized signature).

Federal Bulletin Board Service (BBS). Foreign policy information also is carried on the BBS, a service of the U.S. Government Printing Office (GPO). By modem, dial 202-512-1387 (settings: 8 bits, no parity, 1 stop bit, full duplex, 1200-9600 baud). For prices and more information, call GPO's Office of Electronic Information Dissemination Services at (202) 512-1530.

DISPATCH

Volume 7, Number 6 February 5, 1996

Warren Christopher
Secretary of State

Thomas E. Donilon
Assistant Secretary
for Public Affairs

Nicholas Burns
Department Spokesman

Colleen A. Elliott
Director/Editor in Chief
Office of Public Communication

Janice E. Adams
Managing Editor

Juanita D. Adams
Senior Editor

Jo Brooks
Issue Editor

The weekly *U.S. Department of State Dispatch* (ISSN 1051-7693) provides a diverse compilation of major speeches, congressional testimony, policy statements, fact sheets, and other foreign policy information from the State Department. It is published by the Office of Public Communication, Bureau of Public Affairs. Inquiries relating to editorial matters should be addressed to: Managing Editor, *U.S. Department of State Dispatch*, PA/PC, Washington, DC 20520-6810 USA. (Internet e-mail address: adamsje@us-state.gov). Subscription orders, single-copy purchase requests, etc., should be directed to the appropriate address at left.

Dispatch is on file for public reference at the Library of Congress and many Federal Depository Libraries, as well as many public and university libraries throughout the United States. It is indexed in the *Readers' Guide to Periodical Literature*.

Contents of this publication are not copyrighted unless indicated. If not copyrighted, the material may be reproduced without consent; citation of the *U.S. Department of State Dispatch* as the source is appreciated. Permission to reproduce any copyrighted material (including photos or graphics) must be obtained from the original source.

Department of State Publication 9804

Text printed on recycled paper.

The United States and France: Building on a Historic Alliance

President Clinton, French President Chirac

Opening remarks at a press conference following meeting, Washington, DC, February 1, 1996

President Clinton. President Chirac and I have just concluded a very good discussion. Let me begin by saying how much the United States appreciates the President's strong leadership and the vital role France is playing all around the world. This is a time for the world's great democracies to reach out, not retreat. Many of the problems we face—including terrorism, international organized crime, and drugs—have no respect for borders. And the extraordinary opportunities we enjoy to shape a safer and more prosperous future for our people can be realized only if we stay engaged and if we work together.

France and the United States are doing just that—building on our historic alliance to meet the challenges of this new era. NATO is a cornerstone of that alliance. The President and I spent a good deal of time discussing its present and its future. In Bosnia, all of us can see NATO's critical role in ending a terrible war and in helping peace take hold and in restoring stability to the heart of Europe. President Chirac and I reviewed the impressive progress our troops are making. We agreed that the mission in Bosnia is moving forward steadily, surely, and as safely as possible.

The Bosnia operation also demonstrates how well NATO can work with Europe's new democracies. Countries that were our Warsaw Pact adversaries less than a decade ago now are serving side by side with our troops for peace. This is a tribute to the decision that we made to reach out to them through the Partnership for Peace and by holding out the possibility of opening NATO's doors to new partners. We agreed that NATO must and will continue its steady progress toward enlargement and will strengthen its relationship with Russia.

Let me say again: I told President Chirac how pleased we in the United States are with France's recent decision to move closer to the military side of NATO—a move that will strengthen our alliance and a move that is very, very important to the United States. I also welcomed the French efforts to build a stronger European defense identity within NATO. This will allow our European allies to deal more effectively with future security problems and spread the costs and risks of our leadership for peace, while preserving the basic structure of NATO.

The Franco-American partnership extends well beyond NATO and, indeed, well beyond Europe. We've seen it in Cambodia, where our cooperation was vital to the success of democratic elections. We see it in Haiti, where French *gendarmes* are taking part in the international police force and playing a critical role. And in Africa, both our countries today are working to help people realize their tremendous economic and political potential. Today, President Chirac and I agreed to work together on preventive diplomacy in Africa to begin to head off conflicts before they start.

Finally, we focused on a series of new threats to the safety of our citizens that demands a coordinated response: the spread of weapons of mass destruction, terrorism, international organized crime, drug trafficking and, of course, the threats to the global environment.

I welcome France's decision to end nuclear testing in the Pacific and its strong support for signing a zero-yield comprehensive nuclear test ban treaty this year. That is a project we can and we will work on together, and I believe we will succeed. As I said in the State of the Union address, a comprehensive test ban treaty is one of my highest priorities as President. It will dramatically reduce the nuclear threat to every American and to people all over the world. Having France as a strong partner in this crusade significantly increases the prospects for success.

Let me add also that we greatly appreciate France's offer to join and contribute to the Korean Peninsula Energy Development Organization—the organization that will provide alternative energy to North Korea as it freezes and then dismantles its dangerous nuclear weapons programs.

This past year, terrorists have taken the lives of people in the very heart of Paris and in the very heart of America. The President and I agreed that our law enforcement agencies can and must work even more closely together, sharing their experiences and their expertise until we succeed in defeating terrorism. We'll look at new ways to stop the flow of drugs to our streets and the spread of organized crime by cracking down harder on money laundering and making it easier to extradite criminals.

Finally, let me say again to the President: I want to thank you for your long and consistent leadership in Bosnia, for the sacrifices made by the French there, especially the French soldiers. And I want to tell you how much it means to me and to all Americans that today you presented the Legion of Honor to the families of the three American diplomats who were killed there in the search—ultimately, the successful search—for a peace agreement.

This is symbolic of the friendship that the United States has with France. You are our oldest ally. I thought it quite appropriate today that we had your welcoming ceremony on the lawn of the White House in full view of the Jefferson Memorial because Thomas Jefferson was our first envoy—the symbol of our friendship, our alliance with France.

Now the United States has another forceful and energetic partner for peace and progress in President Chirac. Let me invite him to make a statement, welcome him again to the United States, and then we will take your questions.

Mr. President.

President Chirac. President Clinton has more or less said everything there was to be said—because, anyway, everything that we said, he said wonderfully. It was all that.

I just have some brief remarks. First of all, a sentiment of gratitude for the way I've been welcomed here. And I deeply appreciated this—to be welcomed in the White House and in Congress. And, secondly, there was a very fundamental agreement between us on most of the subjects that we talked about. I think the most outstanding example is Bosnia, where the action undertaken by President Clinton has been decisive for a peace agreement that a few months before no one could really have imagined.

France was not absent, naturally, from the effort that led to this. And if the country manages to regain equilibrium in peace and come back to peace, this will be, to a large extent, due to the President of the United States.

I also wanted to mention two problems here which, among others, I'm deeply concerned about. First of all is the question of the necessary reform of the organization of the Atlantic alliance in order to adapt it to the needs of our time. We can, I think, expect the very best in terms of peace from that organization as long as the organization has adapted to the new circumstances.

My second point is the fact that we really must understand how absolutely essential it is that we should not disengage ourselves from development aid. Many countries in the world are in the process of being excluded precisely as they're making very substantial efforts in order to try to move toward democracy and the market economy, so we must help them in that effort. Those were the two messages that I wish to express today to the Congress.

Now, lastly, I felt very deep emotion in awarding, this morning, to three wonderful women—wonderful ladies—the Legion of Honor in the name of the people of France and the Republic of France—the widows of three great American diplomats who gave their very best efforts to help to achieve peace and, alas, lost their lives in that country of Bosnia. ■

Policy and Principles: The Clinton Administration's Approach

James B. Steinberg, Director of Policy Planning

Address to the Foreign Policy Association, New York City, January 24, 1996

In last night's State of the Union message, President Clinton challenged the United States to sustain our role as the leader in the fight for freedom and peace. Three years of American leadership by President Clinton have already produced great benefits for the American people and for the world community. Had America not led, the war in Bosnia would continue today with mounting casualties—a war threatening European stability, eroding the NATO alliance, and damaging U.S. credibility. Had we not led, peace in the Middle East would not be on the horizon, and we would face a growing crisis in Haiti. Without U.S. leadership, the prospect for new American jobs and economic growth through important trade agreements such as the WTO, NAFTA, and successful auto negotiations with the Japanese would remain beyond reach. The Mexican economy would be in free-fall, threatening our economic security and the stability of the world's financial markets. The President's leadership assured that nuclear weapons programs were halted in North Korea and Iraq and that the nuclear Non-Proliferation Treaty was indefinitely and unconditionally extended. Through determination and the exercise of American leadership, we have repeatedly turned challenges into real gains for Americans.

In the Office of Policy Planning, we often are torn between helping coordinate day-to-day policy and longer term planning. In our fast-forward world, long-term sometimes means next Monday, and history is what happened last Friday. That said, as the director of the office responsible for helping frame policy in a larger context, I would like to take a step back tonight and talk about the broader principles and strategies that lie behind the President's remarkable foreign policy accomplishments.

Policy planners contend daily with the legacy of our first director—George Kennan. Kennan served from 1947 to 1949—at a time when the United States was resisting its instinct to turn inward once more and was instead helping to build a stable post-war order. He earned his place in American history, of course, by arguing that "the main element of any United States policy toward the Soviet Union must be that of a long-term, patient but firm and vigilant containment of Russian expansive tendencies." With that single word—containment—he set the direction for more than 40 years of U.S. foreign policy.

"Containment" primarily was a prescription for U.S. policy. Yet containment rested on an understanding of the international system dominated by the threat of communist aggression. This one word became the bumper-sticker of the Cold War. Containing the Soviet Union was used to justify almost every foreign policy activity, from regional interventions and the building of security alliances to supporting economic institutions and foreign assistance.

Since the collapse of the Soviet external and internal empire, many analysts have sought to find a new bumper sticker, one that would characterize the post-Cold War international system and set the new paradigm for U.S. foreign policy. So many theories have surfaced, in fact, that they've exhausted the memory of the State Department's antiquated computer system.

4

At first, optimism was the prevailing sentiment. We were told that a "new world order" was within reach, where American power would tame lawless aggressors. Others claimed that we had reached the "end of history," where market democracy had become accepted worldwide as the only possible—indeed, historically inevitable—form of government. Others told us of a "borderless world," where international commerce would wash over governments and erase territorial boundaries and where the invisible hand of the marketplace might overcome every ill—from authoritarianism in China to famine in Africa to poverty in India.

Pessimists soon made a comeback. They tell us of the "coming anarchy," where unchecked environmental damage and rapid population growth will make many parts of the world ungovernable and will unleash floods of economic and political refugees to our own shores. Others warn that we live at the early stages of a "clash of civilizations," where antagonistic cultures with irreconcilable values and objectives will engage in constant conflict with one another, tearing at the fragile economic and political ties that bind the world's peoples.

Each of these grand theories contains within it many important truths. But whatever the merit of physics' never-ending search for a "great unified theory," the world we face today is far too complicated to describe in one theory or fit on a bumper sticker. Our interests are too broad; our challenges too diverse. And too often, broad oversimplifications either hide or distort reality.

Kennan, to his credit, rejected simplistic understandings of the communist threat. He eventually came to oppose our involvement in Vietnam, for instance, because he saw Southeast Asia as peripheral to our core national interests and the war itself as about nationalism, not communism. And while Kennan accurately predicted—nearly 50 years ago—that the Soviet system would collapse, he did so based on a careful analysis of its component parts: the ideology of its leaders, the fundamental weaknesses of the command economic system, and the weariness of the Russian people. He came to reject the more extravagant extensions of containment policy for ignoring communism's greatest weakness—the communist system itself.

Today, Kennan continues to speak out against the danger of seizing too quickly on any single policy prescription, but he still counsels us to define sound principles—"principles that accord with the nature, the needs, the interests, and the limitations of our country." These principles should define the real-world demands on a nation's capacity to act and the limits of its ability to do so. Leaders have a responsibility to articulate principles, to inform the public about their perception of the national interest, especially when dangers and opportunities are not immediately obvious.

Last week at Harvard University, Secretary Christopher reaffirmed four core principles that have come to guide foreign policy in the Clinton Administration. These principles are designed to meet today's opportunities and dangers.

Our **first** and most important principle is that America must lead if we want to protect our national interests and values. No other nation has the power, the resources, the respect, and the authority to lead. Leadership means that we will act alone when we must but work with others when we can.

Whether bringing peace to troubled regions, strengthening our role in the global economy, or fighting transnational threats from nuclear proliferation, crime, terrorism, or environmental decay, our leadership has often meant the difference between success and failure.

Leadership does not come cheap. Forces in Congress have proposed cuts in our foreign affairs budget that would cripple our diplomacy just when we are beginning to reap the benefits of the end of the Cold War. Of course, we have important responsibilities to attend to at home. But we can't create jobs if foreign markets are not open. We can't build a secure future if drug trafficking is flourishing or if dangerous nations develop nuclear weapons. Think about how short-sighted it is for Congress not to find $22 million to implement KEDO and freeze North Korea's nuclear program. In fact, for less than one-third of one percent of our GDP and just a little more than 1% of all government spending, we could fund the entire foreign affairs budget. These are modest outlays by the world's standards, but they represent an American commitment to the world that will, in turn, catalyze major contributions by our allies and friends.

A **second** principle is the need to strengthen the institutions that provide an enduring basis for global peace and prosperity. For half a century, institutions such as NATO, the UN, GATT, the IMF, and the World Bank have helped us share the burdens of leadership. Some critics argue that we should significantly diminish our links with these institutions. These critics would leave us with only two choices: do nothing or do it by ourselves.

That's the choice we would face in Bosnia without NATO, the UN, the OSCE, and the World Bank. That's the choice we would have faced when Mexico's economy collapsed, without the International Monetary Fund. And that's the choice we would have faced without the UN when nations such as Haiti, El Salvador, Cambodia, and Angola needed help to recover from civil war and famine.

That's why we're reinvigorating old institutions and building new ones. We are adapting and adjusting proven institutions such as NATO and extending their benefits to new members. We are creating new arrangements with our neighbors and our European allies, such as the Summit of the Americas and the Transatlantic Marketplace. And the President has taken major steps toward strengthening consultation and cooperation in Asia—on economic matters through the annual APEC leaders' meetings and on security issues through the ASEAN Regional Forum and the Northeast Asian Security dialogue. This is why we are taking a hard look at institutions, such as the UN, that must reform to meet new challenges.

Cutting funding for the UN means limiting our ability to address vital development needs and to negotiate important environmental agreements and share needed information on climate change, on ozone depletion, and on oceans and fisheries. In an integrated global economy, environmental

damage in one part of the world can affect economies everywhere. Pollution's impact on our nation's health takes an enormous toll on our manufacturing, service, and agricultural productivity. Disappearing cropland worldwide, coupled with a projected doubling in world population, may lead to dramatic rises in world food prices. Whether we like it or not, these threats to our well-being are best addressed through negotiations at international organizations such as the UN.

Our **third** principle is that we must support democracy and human rights if we want a policy that not only reflects our ideals but also reinforces our interests. Promoting democratic values amplifies our authority and credibility in the world. Our interests are most secure in a world where the rule of law protects both political rights and free market economies. From working with courageous reformers in South Africa, Mexico, and the new democracies of Central Europe and the former Soviet Union, to supporting the War Crimes Tribunal and the elections process in the former Yugoslavia, this principle both closely reflects our image of ourselves and accepts that there are limits to our ability to help others set themselves free.

Our **fourth** principle is constructive relations with the great powers—our longstanding allies in Western Europe and Japan, as well as our former adversaries in Russia and China. We live in a world where these four powers, each in its own way, have the ability to significantly affect our security and prosperity.

Some have said that in the absence of an overwhelming common threat, America's relationships with its core allies would inevitably drift apart. After three years of close cooperation with our friends in Europe and Japan, we can fairly claim that the opposite is true. Our common action in Bosnia has done more for European cooperation and stability than years of sterile theoretical debates over competing "security architectures." And the New Transatlantic Agenda that we launched last month in Madrid will expand our economic ties and strengthen our cooperation with the European Union in confronting global political and security challenges.

Our cooperation with Japan also has deepened in response to new opportunities and challenges. A year-long review of our alliance has revitalized our security ties. Japan has worked with us to end the North Korean nuclear program, and we have maintained our security relationship in the face of domestic challenges in both countries. While there continue to be important trade issues between us, the 20 market-access agreements we have reached have contributed to the recent sharp decline in our bilateral trade deficit—as you saw in today's *New York Times*.

Nowhere is the task of the policy planner—or of the policy maker—more challenging than in dealing with Russia and China. The unprecedented and painful transitions that Russia and China are currently undertaking embody the range of challenges and opportunities we confront in the world today.

We have recognized that Russia's transition to a more democratic, market-oriented society will be long and difficult and the outcome not foreordained. But there are vital U.S. interests at stake in our relations with Russia, and practical cooperation where possible increases both our countries' security and prosperity. In light of a half-century of confrontation, it is important to reflect how far we—and the Russian people themselves—have come.

Of course, it would be easy to enumerate our differences with Russia. Its ongoing struggle with the conflict in Chechnya, its crime and corruption, and Moscow's nuclear cooperation with Iran indicate that this transition will not be easy and may impact American interests and Russia's own development. Russia is still struggling to define its future at home and abroad. Ultimately, the Russian people alone will decide whether they, too, can define a new path for Russia or whether they will turn to the forces who prey on their fears. Russians face an important choice in the June presidential elections. Our key obligation is to engage Russia by promoting democratic values and institutions while keeping watch over own national interest at all times.

For those of you who follow our relations with China, it will probably sound like an understatement to say that the last year has been difficult and in important respects disappointing. China remains an authoritarian state, though far from the totalitarian monolith it once was. Important differences remain between our two countries on issues such as human rights, proliferation, and trade. Having abandoned the substance of communism and lacking a credible ideological replacement, China's leaders have sought to mobilize support by emphasizing nationalistic themes of order in confronting a deep-seated fear of chaos and unfurling the banner of sovereignty in response to perceived foreign pressure and influence. Its continued insistence on the right to use force to protect its claims to sovereignty in Taiwan and the South China Sea will not ease regional tensions.

Our Administration does not seek to isolate or contain China. This is not because we want to do China a favor, but because engagement serves our interests and the interests of our friends and allies in the region. We seek to restore positive momentum to the relationship. We remain committed to the "one China" policy forged through successive Democratic and Republican administrations. We are committed also to finding constructive ways to address our differences and to cooperate on common concerns.

Secretary Christopher has stated very clearly that the United States will do its part. But if we are to build a lasting, productive relationship, China has a responsibility to take meaningful steps to address areas of our concern and to respect internationally accepted principles.

Whatever our problems or disagreements, we need to understand that China will be a major—and growing—factor on the Asian regional scene and in the world. Whether in terms of maintaining stability in the Taiwan Strait, on the Korean Peninsula, or in the South China Sea; whether in terms of fostering an economic regime in the Asia-Pacific region that promotes our own prosperity as well as that of our trading partners; or whether in terms of the effective functioning of the United Nations and other institutions of the international system, China will be a key player.

As we have successfully confronted this world of opportunity and danger, it is ironic that the biggest challenge to securing our interests abroad may be a fraying consensus at home. Of course, we must address challenges in the United States. There is no disputing that. Those whom I call the "new isolationists" do not deny that we have a stake in the world. But absent the kind of immediate and overriding threat posed by communism, they fail to appreciate how early and effective actions by the U.S. to prevent crises, to build and maintain international institutions, to support democracy and human rights, and to maintain constructive relations with our key allies and other important global actors can help us avoid much more costly and dangerous interventions in the future.

As the President argued last night, American leadership is crucial to advancing our economic interests abroad and to creating a world safe from destabilizing conflicts and threats from crime, terrorism, and environmental decay. Never has our engagement been more vital. Isolationism always will strike a responsive chord with Americans, in part because we have long been at peace with the countries on our borders, and in part because vast oceans separate us from Europe, Asia, and Africa. But the countries on our borders share with us a free trade area that continues to create American jobs. And Europe, Asia, and Africa are no longer that far away, thanks to rapid communications and transportation, and thanks to our increasingly interdependent economies.

We cannot afford to look back nostalgically at the days of containment, nor wait for a new overwhelming security threat to emerge. As the President said last evening, today's dangers know no borders. The loss of nuclear materials from one country is a challenge to the security of all countries. We must work with others to confront these transnational problems. Though we no longer have a single enemy around which we can rally public support, the stakes are too high to withdraw from a world that we have helped create and which reflects American interests and values more than at any time in our history. ■

The United States and the Security of Taiwan

Winston Lord, Assistant Secretary for East Asian And Pacific Affairs

Statement before the Subcommittee on East Asia and the Pacific, Senate Foreign Relations Committee, Washington, DC, February 7, 1996

Mr. Chairman, members of the committee: I welcome the opportunity to appear before you today to discuss one of the United States' most significant policy issues in Asia. It is also one of the most difficult ones. I commend you for addressing these questions at this time. I hope our exchanges today will serve to dampen recent tensions and promote American interests.

Peace in the Taiwan Strait lies at the core of our China policy. For decades, we have stressed that we will support any peaceful solution to disagreements between Taiwan and the P.R.C. Such a solution obviously must be supported by both sides.

My testimony will discuss the present security situation in the Taiwan Strait area. Then, I will explain why the policy of the United States serves the interests of all parties concerned in maintaining peace and stability. I will describe the dangers to our interests which would result from conflict in the area. And I will urge that we—both the Administration and Congress—move cautiously and cooperatively to maintain the delicate balance that successive Administrations have achieved.

Recent Developments

We may recall crises in the Taiwan Strait threatening U.S. involvement in the late 1950s. In the decades since, peace and stability have prevailed as a result of wise policies on all sides. However, following the visit to the U.S. last summer by Taiwan's President, Lee Teng-hui, tensions have risen with tough political rhetoric in Beijing and a series of military moves by the People's Liberation Army. One Chinese military exercise included the firing for the first time of surface-to-surface missiles into the ocean 100 miles or so north of Taiwan. These developments have raised serious questions and concerns on the island, in the United States, and in neighboring Asian countries about stability in the area. Most recently, there has been speculation in the U.S. and foreign press about further military actions by the P.R.C.

We are concerned by any rise in tension in the region. We have conveyed this to Beijing, and we are watching developments closely. However, having examined all of the available evidence, we cannot conclude that there is an imminent military threat to Taiwan. While it is abundantly clear that the P.R.C. wishes its military activities to be noticed—to influence Taiwan's legislative and presidential elections and to have a restraining effect on Taiwan's international activities—they do not, in our judgment, reflect an intention to take military action against Taiwan. Perhaps more importantly, the Taiwan authorities have reached the same judgment. Though the scale of some of these recent exercises is substantial, the pattern of such exercises in connection with elections in Taiwan is not new; such activities have been observed since 1988. P.R.C. authorities have stated publicly, as well as to us in diplomatic exchanges, that there is no change in their intention to seek a peaceful resolution of the Taiwan question. We, as always, will continue to monitor closely the situation in the Taiwan Strait. But all evidence at our disposal at this time leads to the conclusion that the P.R.C. has no intention to initiate military action.

What then lies behind the recent actions by the Chinese military? As I have suggested, these demonstrations of military strength—and there may be more—are evidently intended to send a message to the Taiwan authorities to curb what the P.R.C. regards as efforts to establish a separate, independent identity for Taiwan. Last June's visit to the U.S. by President Lee Teng-hui was interpreted by the P.R.C., wrongly in our view, as a step toward independence. The Chinese position, of course, is that Taiwan is a part of China, and it thus views the issue as vital to its interests. Some P.R.C. commentators have charged Lee Teng-hui with the intention of abandoning, or postponing indefinitely, the Taiwan authorities' longstanding goal of eventual reunification with the mainland.

While expressing a desire for recognition of Taiwan as a sovereign entity for now, the Taiwan leadership has repeatedly reaffirmed its interest in eventual reunification. Meanwhile, President Lee has sought to appeal both to the desire of the people on Taiwan for greater respect and recognition from the international community. It is also apparent that the majority there wish to remain separate from the People's Republic of China, at least until political and economic conditions on both sides of the Strait make reunification more attractive.

Although neither Taiwan nor the P.R.C. wants a military confrontation, there is a danger that Chinese nationalism in the P.R.C. may collide with Taiwan's search for international recognition and status. Democratic development in Taiwan has permitted the free expression by a portion of the Taiwan populace of a desire for a separate Taiwan identity, expression of which had been largely suppressed under the previous political leadership in Taiwan. Some in Beijing interpret this development as challenging the assumption underlying the political status quo and source of stability in the Taiwan Strait—the acceptance of a single Chinese state by both sides.

Since 1950, Taiwan has been seen in the P.R.C. as a sensitive issue, touching on core notions of sovereignty, territorial integrity, and feelings of nationalism. With the meeting of these two powerful historical forces—growing nationalism on the mainland and increased efforts by Taiwan's democratic polity to obtain greater recognition of its own identity and improve its international status—tensions between Beijing and Taipei have increased. The drawn-out succession to Deng Xiaoping on the mainland and electoral politics on Taiwan have further complicated this situation.

U.S. Policy

It is vital to keep in mind U.S. interests in the Taiwan issue. We insist that the P.R.C. and Taiwan work out their differences peacefully, so as not to disturb the security of the region and the people there. At the same time, our approach is to strictly avoid interference in the process whereby the two sides pursue resolution of differences.

The Taiwan Relations Act (TRA) of 1979 forms the basis of U.S. policy regarding the security of Taiwan. Its premise is that an adequate defense in Taiwan is conducive to maintaining peace and security while differences remain between Taiwan and the P.R.C. Section 2 (b) states:

> It is the policy of the United States . . . to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States; to provide Taiwan with arms of a defensive character; and to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.

Section 3 of the TRA also provides that the

> United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.

It further stipulates that:

> The President is directed to inform the Congress promptly of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom. The President and the Congress shall determine, in accordance with constitutional processes, appropriate action by the United States in response to any such danger.

The key elements of the United States' policy toward the Taiwan question are expressed in the three joint communiques with the P.R.C. as follows.

- The United States recognizes the Government of the P.R.C. as "the sole legal Government of China."
- The U.S. acknowledges the Chinese position that "there is but one China and Taiwan is part of China." In 1982, the U.S. assured the P.R.C. that it has no intention of pursuing a policy of "two Chinas" or "one China, one Taiwan."
- Within this context, the people of the U.S. will maintain cultural, commercial, and other unofficial relations with the people of Taiwan.
- The U.S. has consistently held that resolution of the Taiwan issue is a matter to be worked out peacefully by the Chinese themselves. Our sole and abiding concern is that any resolution be peaceful.

I reiterate the above passages from the TRA and the joint communiques in some detail, since they express precisely the governing principles of our policy. They serve U.S. interests today just as well as in past decades.

Let me now call attention to an aspect of the August 17, 1982, joint communique between the United States and the People's Republic of China, which is extremely important to Taiwan's security. In this document, the P.R.C. stated that its "fundamental policy" is "to strive for a peaceful resolution to the Taiwan question." Based on that P.R.C. assurance, the United States Government made reciprocal statements concerning our intentions with respect to arms sales to Taiwan—that we did not intend to increase the quantity or quality of arms supplied and, in fact, intended gradually to reduce these sales. At the time the joint communique was signed, we made it clear to all parties concerned that our intentions were premised on the P.R.C.'s continued adherence to a policy of striving for peaceful reunification with Taiwan. We continually

review our assessment in light of events, particularly during periods of heightened tension. Our judgment is that the P.R.C. has not changed this policy, and we have abided by our commitments.

Taken as a whole, our policy has been unequivocally successful in obtaining our fundamental objective regarding the security of Taiwan—peace and stability in the Taiwan Strait. The Taiwan Relations Act and the 1982 communique have been complementary elements of this policy. The former has provided the means for our continued support for Taiwan's self-defense capability, while the latter forms the basis for the understanding with the P.R.C. that any resolution of the differences between Taiwan and the mainland must be achieved through peaceful means. U.S. arms sales to Taiwan have been consistent with both the TRA and the 1982 joint communique.

Taiwan's weapons systems are not offensive in character but constitute a credible deterrent to military action. With the addition of several new defensive systems purchased or leased from the U.S. in the past few years, Taiwan's self-defense capability will be as strong as at any time since 1949. Those systems include various types of military aircraft, ships, and air-defense and anti-ship missiles. In addition, the U.S. has provided significant technical support for Taiwan's own production of the Indigenous Defense Fighter and PERRY-class frigates.

With U.S.-supplied and jointly developed systems, taken together with those systems which Taiwan has produced domestically and those it is purchasing from other countries—notably 60 MIRAGE fighter aircraft and six LAFAYETTE-class frigates from France—Taiwan has a formidable capacity to defend itself. Although there may be other defensive systems which Taiwan will seek to obtain for its self-defense, the basic inventory of equipment which Taiwan has or will have in its possession will, in our view, be sufficient to deter any major military action against Taiwan.

While our arms sales policy aims to enhance the self-defense capability of Taiwan, it also seeks to reinforce stability in the region. We will not provide Taiwan with capabilities that might provoke an arms race with the P.R.C. or other countries in the region. Moreover, our policy must be applied with a long-term perspective. Any transfer of a complicated modern weapons system generally requires years of lead time before the capability is fully in place. Each new system, moreover, demands a U.S. commitment for continuing logistical and technical support in order to remain effective. Decisions on the release of arms made without proper consideration of the long-term impact both on the situation in the Taiwan Strait and on the region as a whole would be dangerous and irresponsible.

The Stakes

If armed conflict were actually to break out in the Taiwan Strait, the impact on Taiwan, the P.R.C. and, indeed, the region would be extremely serious. The peaceful, stable environment that has prevailed in the Taiwan Strait since the establishment of our current China policy in 1979 has promoted progress and prosperity on both sides of the Taiwan Strait. The benefits to Taiwan and the P.R.C. have been obvious. The shift from the earlier belligerent climate in the Strait to a peaceful and stable one has permitted the realization of Taiwan's economic miracle and has had a direct impact on Taiwan's positive political transformation. Taiwan is now a world-class economic power, and the March presidential elections will cap Taiwan's transition to democracy.

The P.R.C. has enjoyed a positive relationship with the United States and other Western countries that has allowed it to carry out the program of reform and opening to the outside world that has propelled China toward becoming an economic power. Taiwan capital—over $20 billion—has fueled a significant part of China's economic progress, large numbers of Taiwan residents have visited China, and the mainland has become one of Taiwan's largest export markets. All of these achievements would be immediately put at risk in the event of conflict in the Strait.

Conflict would also be costly to the United States and to our friends and allies in the region. Taiwan is an important economic actor throughout East Asia. It is located along one of the main sea lanes in the western Pacific. Any confrontation between the P.R.C. and Taiwan, however limited in scale or scope, would destabilize the military balance in East Asia and constrict the commerce and shipping which is the economic life-blood of the region. It would force other countries in the region to re-evaluate their own defense policies, possibly fueling an arms race with unforeseeable consequences. It would seriously affect the tens of thousands of Americans who live and work in Taiwan and the P.R.C. Relations between the U.S. and the P.R.C. would suffer damage regardless of the specific reaction chosen by the President in consultation with Congress. For all these reasons, we are firmly determined to maintain the balanced policy which is best designed to avoid conflict in the area.

What would the U.S. do if commitments to peaceful settlement appeared to weaken, if hostilities appeared more likely? In this unfortunate circumstance, which neither side seeks, the Administration would immediately meet its obligations under the TRA to consult with the Congress on an appropriate response. Circumstances leading to this situation would be important in determining our response: What caused the breakdown? Both sides have a responsibility to act in ways that promote stability and avoid needless provocation. But I hardly need remind this committee that the people of the United States feel strongly about the ability of the people of Taiwan to determine their future peacefully. This sentiment must not be underestimated.

The Challenge

Our policy must be consistent and must be carefully designed to encourage both sides to find a peaceful and durable solution. As always, our own national interest must be the guiding principle to our policy.

In this regard, we will continue to make clear to the P.R.C. through diplomatic and other channels that any

attempt to resolve the Taiwan question through other than peaceful means would seriously affect the interests of the United States. This position comprises a fundamental premise that underlies our policy: that the P.R.C. will pursue a peaceful settlement. Over the past months and, indeed, recent days, we have made clear in our diplomatic dialogue with Beijing our deep concern over exercises and the dangers of escalation. We also have used and will continue to use our military-to-military relationship with the P.R.C. to communicate these concerns directly to PLA leaders.

We must, though, avoid unwarranted actions that could further add to tensions. We should maintain our present prudent and effective policy of arms sales, within the framework of the TRA and in conformity to the 1982 joint communique. We have an enormous stake in preserving stability in Asia and maintaining a productive relationship with the P.R.C. We will continue to engage the Chinese Government on issues of mutual interest and encourage the P.R.C.'s positive participation in the international community. We seek engagement, not confrontation. We expect the Taiwan authorities as well to avoid any actions which could potentially put at risk the interests of all parties concerned.

Taiwan and the P.R.C. must eventually find some sort of common ground, if they are to continue to enjoy the peace and prosperity that exists in the Strait area today. Both sides need to avoid provocative political or military actions that have the potential to destabilize the situation. They must together actively seek ways to address their differences peacefully. This is the only long-term guarantee of Taiwan's security. It is also the only long-term guarantee of peace and stability in East Asia. Only through the resumption of positive dialogue directly between Beijing and Taipei can the route to a peaceful and lasting settlement be found. We understand that the Taiwan authorities are prepared to resume cross-Strait talks. The P.R.C. has also indicated its willingness to expand ties with Taiwan in a number of areas as long as the Taiwan authorities continue to embrace the principle of "one China." We hope the two sides will agree as soon as possible to take up again the dialogue that was suspended last June.

Mr. Chairman, several administrations of both political parties have followed a consistent policy on the subject of today's timely hearing. It is a policy that has served the interests of the United States, the P.R.C., Taiwan, and regional security and prosperity. We intend to pursue this course as outlined in this statement. We call on Beijing and Taipei to exercise restraint and resume dialogue looking toward a peaceful resolution of the issues between them. And we urge bipartisan support in the Congress and Administration that will send a steady signal of American purposes and resolve. We will work closely with you toward this goal. ■

Consular Information

Consular Information Program:
This program provides information for U.S. citizens traveling and living abroad. Two categories of information are available under the consular information program: Travel Warnings and Consular Information Sheets. Travel Warnings are issued when the State Department recommends that Americans avoid travel to a particular country. Consular Information Sheets exist for all countries and include such information as immigration practices, health conditions, areas of instability, crime and security information, political disturbances, and the addresses of the U.S. embassies and consulates in the subject country. Consular Information Sheets generally do not include advice. Instead, they contain factual information so that travelers can make informed decisions concerning travel to a particular country. Consular Information Sheets are constantly reviewed and normally will be reissued every 12 months or when conditions warrant change.

Contact:
Consular Information Sheets and Travel Warnings are available at 13 U.S. passport agencies (see local telephone book listing: "U.S. Government, Department of State, Passport Agency") and from field offices of the Department of Commerce and U.S. embassies and consulates abroad.

Write to:
Overseas Citizens Services
Bureau of Consular Affairs
Rm. 4811, Main State
U.S. Department of State
Washington, DC 20520-4818

(For copies, please include a self-addressed, stamped envelope and indicate for which country you wish to receive a Consular Information Sheet.)

Phone:
Overseas Citizens Services: (202) 647-5225 from a touchtone phone (recorded information).

Fax:
From a fax machine, dial (202) 647-3000, using the handset as you would a regular telephone. The system instructs on how to proceed.

Computer Networks:

- The Consular Affairs Bulletin Board (CABB) enables users to access Consular Information Sheets and Travel Warnings and other consular subjects. Users also are able to access information from the Overseas Security Advisory Council's (OSAC) electronic bulletin board, maintained by the Department of State's Bureau of Diplomatic Security. To access CABB, dial (202) 647-9225 from your modem. (Also see *Dispatch* Vol. 3, No. 35, p. 681.)
- The State Department also directly maintains a database of Consular Information Sheets and Travel Warnings on CompuServe (type GO STATE at any "!" prompt for access).
- Call the Official Airline Guides (OAG) Electronic Edition at (800) 323-4000 to obtain information on accessing Consular Information Sheets and Travel Warnings through the OAG on any of the following computer services: CompuServe, Dialcom, Dialog, Dow Jones News/Retrieval, General Videotext-Delphi, GEnie, iNet-America, iNet-Bell of Canada, NewsNet, IP Sharp, Telenet, Western Union-Easylink.
- Infosys America, Inc. provides full texts through Travel Online BBS on the SmartNet International Computer Network in the United States, Canada, and overseas (modem telephone number: (314) 625-4054).
- Interactive Office Services, Inc. (for information on access, call Travel+Plus at (617) 876-5551 or (800) 544-4005) offers on-line travel information through: Delphi, MCI (RCA Hotline), Unison, NYNEX Info Look, Bell South TUG, Graphnet, FTCC Answer Bank.
- Airline Computer Reservation System (CRS):
  APOLLO—enter TD*DS/ADV;
  SABRE—enter N*/ADVISORY INDEX;
  SYSTEM ONE—enter GG SUP TD ADV;
  WORLDSPAN—enter GDOC ADVISORY.

  In Europe, SYSTEM ONE is accessed through AMADEUS and APOLLO through GALILEO.
- Internet: Users must subscribe to this by getting on the mailing list. Send a message to LISTSERV@VTVM2.BITNET; text of message should read SUBSCRIBE INTER-L Your Name. To receive Consular Information Sheets and Travel Warnings, enter travel-advisories-REQUEST@stolaf.edu.

END

12-03-96